

1 HOUSE BILL 400

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO HEALTH CARE; ENACTING A NEW SECTION OF THE PUBLIC
12 ASSISTANCE ACT TO ALLOW THE SECRETARY OF HUMAN SERVICES TO
13 AMEND THE NEW MEXICO STATE MEDICAID PLAN TO CREATE A
14 STATE-ADMINISTERED HEALTH COVERAGE PLAN; REQUIRING A STUDY ON
15 THE FEASIBILITY OF IMPLEMENTATION; REQUIRING REPORTING;
16 REQUIRING COLLABORATION BETWEEN THE HUMAN SERVICES DEPARTMENT
17 AND THE OFFICE OF SUPERINTENDENT OF INSURANCE TO ENROLL
18 INDIVIDUALS IN THE PLAN; MAKING AN APPROPRIATION.
19

20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

21 SECTION 1. Section 27-2-2 NMSA 1978 (being Laws 1973,
22 Chapter 376, Section 2, as amended) is amended to read:

23 "27-2-2. DEFINITIONS.--As used in the Public Assistance
24 Act:

25 A. "department" means the human services

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1 department;

2 B. "board" means the human services department;

3 C. "director" means the secretary of human
4 services;

5 D. "local office" means the county or district
6 office of the human services department;

7 E. "medicaid advisory committee" means the body,
8 established by federal law, that advises the New Mexico
9 medicaid program on policy development and program
10 administration;

11 F. "medicaid forward plan" means a health care
12 coverage plan that leverages the medicaid program to provide a
13 state-administered health care coverage option;

14 [E] G. "public welfare" or "public assistance"
15 means any aid or relief granted to or on behalf of an eligible
16 person under the Public Assistance Act and regulations issued
17 pursuant to that act;

18 [F.] H. "applicant" means a person who has applied
19 for assistance or services under the Public Assistance Act;

20 [G.] I. "recipient" means a person who is receiving
21 assistance or services under the Public Assistance Act;

22 [H.] J. "federal act" means the federal Social
23 Security Act, as may be amended from time to time, and
24 regulations issued pursuant to that act; and

25 [I.] K. "secretary" means the secretary of human

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1 services."

2 SECTION 2. A new section of the Public Assistance Act is
3 enacted to read:

4 "[NEW MATERIAL] DEVELOPMENT OF MEDICAID FORWARD PLAN.--

5 A. Subject to the appropriation and availability of
6 federal and state funds, the secretary shall:

7 (1) amend the New Mexico medicaid state plan
8 pursuant to the federal act to provide medical assistance by
9 January 1, 2026 to residents who:

10 (a) are under age sixty-five;

11 (b) are not otherwise eligible for and
12 enrolled in mandatory coverage or optional full medicaid
13 coverage under the New Mexico medicaid state plan; and

14 (c) have a household income that exceeds
15 one hundred thirty-three percent of the federal poverty level;
16 and

17 (2) in consultation with the medicaid advisory
18 committee and representatives of Indian nations, tribes and
19 pueblos that are located wholly or partially in New Mexico, and
20 consistent with the federal act, promulgate rules that:

21 (a) establish an affordability scale for
22 premiums and cost-sharing based on household income for
23 individuals eligible to enroll in the medicaid forward plan and
24 offer discounted premiums and cost-sharing; provided that such
25 financial assistance is, at a minimum, offered to individuals

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1 with household incomes below four hundred percent of the
2 federal poverty level; and

3 (b) set the total amount of premiums to
4 be assessed to medicaid forward plan enrollees, after an
5 actuarial analysis, to ensure maximum access to coverage.
6 Premiums imposed may be set at a level sufficient to offset the
7 costs of health benefits under the medicaid forward plan and
8 related administrative costs.

9 B. Consistent with the federal act and subject to
10 the appropriation and availability of federal and state funds,
11 the secretary may, in consultation with the medicaid advisory
12 committee and representatives of Indian nations, tribes and
13 pueblos that are located wholly or partially in New Mexico,
14 promulgate rules that phase in coverage to all individuals
15 described in Subsection A of this section.

16 C. The secretary shall consult with representatives
17 of Indian nations, tribes and pueblos that are located wholly
18 or partially in New Mexico to ensure that implementation and
19 expansion of the medicaid forward plan promotes effective
20 communication and collaboration, including information on
21 participation in the medicaid forward plan.

22 D. The secretary shall promulgate rules consistent
23 with and necessary to carry out the provisions of this section.

24 E. The secretary and the superintendent of
25 insurance may seek any federal waivers necessary to administer

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1 the medicaid forward plan, provide the medicaid forward plan to
2 additional persons and maximize federal dollars to ensure
3 affordability for enrollees."

4 SECTION 3. A new section of the Public Assistance Act is
5 enacted to read:

6 "[NEW MATERIAL] STUDY OF THE MEDICAID FORWARD PLAN.--

7 A. The secretary, in coordination with the
8 superintendent of insurance and in consultation with the
9 medicaid advisory committee and representatives of Indian
10 nations, tribes and pueblos that are located wholly or
11 partially in New Mexico, shall study the medicaid forward
12 plan's:

13 (1) effects on the individual, group and
14 self-insured health insurance markets, including the New Mexico
15 health insurance exchange and the health benefits programs
16 provided to state or local public employees or public school
17 employees, of providing mandatory or optional medicaid coverage
18 to individuals who would otherwise be eligible for health
19 insurance through those markets;

20 (2) effects on health care providers and
21 health care facilities, including reimbursement rates needed to
22 maximize access to health care services;

23 (3) operational needs for administering the
24 medicaid forward plan, including staffing and technical needs
25 for enrollment and collection of premiums or cost-sharing;

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1 (4) funding plan, including necessary
2 expenditures and total revenue generated; and

3 (5) financial sustainability, including steps
4 necessary for the department and the superintendent of
5 insurance to apply for federal waivers to maximize federal
6 funding and leverage those waivers to ensure affordability for
7 enrollees in the medicaid forward plan.

8 B. By October 1, 2024, the secretary shall submit a
9 report to the legislative finance committee and the legislative
10 health and human services committee detailing the secretary's
11 study of the medicaid forward plan."

12 SECTION 4. A new section of the Public Assistance Act is
13 enacted to read:

14 "[NEW MATERIAL] ENROLLMENT.--

15 A. The secretary and superintendent of insurance
16 shall coordinate efforts and cooperate with the New Mexico
17 health insurance exchange to establish:

18 (1) systems under which individuals may apply
19 for enrollment in, receive a determination of eligibility for
20 participation in and renew participation in medicaid, the
21 medicaid forward plan or a qualified health plan offered
22 through the New Mexico health insurance exchange; and

23 (2) consumer outreach programs to assist
24 individuals with enrolling in medicaid, the medicaid forward
25 plan and qualified health plans offered through the New Mexico

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1 health insurance exchange.

2 B. The secretary, the superintendent of insurance
3 and the New Mexico health insurance exchange may coordinate
4 efforts and cooperate to make the medicaid forward plan
5 available for direct purchase through the New Mexico health
6 insurance exchange platform.

7 C. The secretary, the superintendent of insurance
8 and the New Mexico health insurance exchange shall promulgate
9 rules consistent with and necessary to carry out the provisions
10 of this section."

11 SECTION 5. APPROPRIATION.--Five hundred thousand dollars
12 (\$500,000) is appropriated from the general fund to the human
13 services department for expenditure in fiscal years 2024 and
14 2025 to hire staff and contract for consulting and technical
15 assistance to conduct the study described in Section 3 of this
16 act. Any unexpended or unencumbered balance remaining at the
17 end of fiscal year 2025 shall revert to the general fund.